



Comptroller of the Currency
Administrator of National Banks

Central District
One Financial Place, Suite 2700
440 South LaSalle Street
Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

February 3, 1997

First National Bank of Central Illinois
Charter #205
205 South Fifth Street
P.O. Box 19264
Springfield, Illinois 62794

Note:	This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.
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GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **First National Bank of Central Illinois** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of **February 3, 1997**. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Institution's Rating:

Based on the findings presented below, this institution is rated:
"Outstanding Record of Meeting Community Credit Needs"

Bank and Community Profile:

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- First National Bank of Central Illinois (FNB-CI) is capable of meeting the credit needs of its local community. There are no legal or financial impediments to the bank's ability.

Bank Profile

FNB-CI is a \$637 million institution headquartered in Springfield, Illinois (the state capital). FNB-CI is the result of The First National Bank of Springfield merging with City Bank of Bloomington-Normal in July 1995. Total assets of First National Bank of Springfield exceeded \$500 million at the time of the merger while City Bank of Bloomington-Normal only had total assets of approximately \$50 million. The loan mix is 28% 1- to 4-family residential, 22% commercial, 17% commercial real estate, and 15% loans to individuals with no other notable loan types as of September 31, 1996.

FNB-CI operates 10 offices and 22 Automated Teller Machines (ATM's). There are 7 offices in the Springfield community including 2 grocery store branches that opened in January 1997. The other 3 branches are in the Bloomington community. Eighteen (18) of the ATM's are in the Springfield community.

FNB-CI is 100% owned by Firstbank of Illinois Company (FIC). Consolidated assets of FIC were \$2 billion at December 31, 1996. There are 6 other banks owned by FIC. Lending activity of the affiliated banks was not included in this analysis. The banks are located in geographic areas where they would not conduct a significant amount of business in the bank's delineated community.

Community Profile

FNB-CI's community consists of portions of each the Bloomington-Normal Metropolitan Statistical Area (MSA) and the Springfield MSA. The community is comprised of 64 census tracts. Based on the U.S. Census 1990 median family income for the Springfield (\$37,373) and Bloomington (\$39,761) MSA's, there are 19 low- or moderate-income, 29 middle-income, and 16 upper-income census tracts. The Bloomington-Normal MSA has 8 low- or moderate-income, 14 middle-income, and 5 upper-income tracts. The Springfield MSA has 11 low- or moderate-income, 15 middle-income, and 11 upper-income tracts.

The combined areas have a population of 271,675 persons. Based on the 1996 HUD adjusted MSA Median Family Income, 36% are low- or moderate-income, 26% are middle-income, and 38% are upper-income families. The breakdown of the 2 individual communities does not deviate from these percentages by more than 1%. The Springfield area has a population of 159,772 persons (1996 HUD adjusted MSA Median Family Income of \$47,700). The Bloomington area has a population of 111,903 persons (1996 HUD adjusted MSA Median Family Income of \$51,100).

Major employers in the Springfield area include the State of Illinois, County and City government, 2 hospitals, the U.S. Government, and 2 large insurance companies. Employers in the Bloomington area include State Farm and Country Companies insurance companies, Mitsubishi Motors Manufacturing, Illinois State University, and the 2 hospitals. Unemployment rates for December 1996 for Sangamon County (Springfield) and McLean County (Bloomington) are 4.2% and 2.5%, respectively. These rates compare favorably to both the state (4.9%) and national (5.3%) levels for December 1996. McLean County has the lowest unemployment rate in the state of Illinois.

Competition in the financial services industry in both the Springfield and Bloomington markets is intense. Major players in both markets include First of America, Bank One, and Magna Bank. There are a couple other regional institutions which are in either the Bloomington or Springfield areas. Additionally, there are several local competitors including numerous credit unions in each the Springfield and Bloomington markets.

We made 1 community contact during this examination with a business related organization. We also utilized information obtained from numerous contacts by other regulators in the last 2 years. Major credit needs identified were small business and housing rehabilitation.

Reasonableness of Delineated Community

- FNB-CI's community is reasonable and does not arbitrarily exclude any low- or moderate-income census tracts.

FNB-CI has delineated 2 non-contiguous areas for its delineated community. One area is in the Springfield MSA and the other is in the Bloomington MSA. The Springfield area consists of the City of Springfield (census tracts #1 thru 31) and all contiguous census tracts (#32, 36, 37, 38, & 39). The Bloomington area consists of the Twin Cities of Bloomington and Normal (census tracts #1.01 thru 21) and 3 contiguous census tracts (#51,54,& 56). None of the census tracts excluded in either MSA are low- or moderate-income tracts.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- FNB-CI actively ascertains the credit needs of its communities. Employees and management officials are active in organizations which provide them with information regarding the credit needs in their area.

Through membership in the Springfield Financial Institutions CRA Council, FNB-CI benefits from various ascertainment efforts. Most recently, FNB-CI benefited from the results of a focus group meeting. The purpose of the meeting was to obtain the opinions of local low- and moderate-income people. Generally, the focus group reflected the perceptions that banks have rigid procedures, employees do not adequately explain bank practices, and customers want friendly, personal relationships with their bank's employees.

FNB-CI uses a "Needs Assessment Form" to record any identified credit needs. Employees are encouraged to document any meeting from which they gather information regarding community credit needs. Officer calls on existing and prospective customers complement this process.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

- The board of directors of FNB-CI is active in the supervision of the bank's compliance with the Community Reinvestment Act. They ensure that not only are the technical requirements met, but that the bank has met the intent of the Act.

Board members and senior management are active in various community organizations. This allows them to remain aware of the credit needs of their community. They also review the geographic distribution of the bank's loans on a quarterly basis. They specifically analyze how well their performance has been in the low- and moderate-income census tracts.

The board has developed a formal framework to oversee the compliance with CRA. The board approves the CRA Policy annually. A CRA officer has been appointed with a CRA representative designated in the Bloomington community. A CRA committee meets quarterly with the minutes of these meetings reviewed by the board. Also, the CRA officer reports to the board quarterly to provide an overview of activities conducted. Through this structure, the board is well informed of the bank's efforts to meet the credit needs of their community.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- FNB-CI markets its products throughout its local communities. FNB-CI is also involved in various community development services targeted towards awareness of credit services offered by the bank.

Both traditional media (radio, newspaper, brochures, etc.) and non-traditional media (face-to-face meetings, community organization publications, etc.) are used by FNB-CI to make the community aware of the products and services they offer. In addition to advertisements in the State Journal Register, Illinois Times, and Springfield Business Journal and on local radio, FNB-CI places advertisements in the Pure News and Springfield Voice. Both of these publications cater to the low- and moderate-income people in the community. Advertisements are also placed in booklets provided by the Springfield Urban League, Habitat for Humanity, and the NAACP Lincoln-Douglas Banquet.

FNB-CI participates in the Springfield Financial Institution's CRA Council. This group provides various credit-related seminars. During 1996, the group held 2 consumer credit sessions and 1 small business seminar. A total of 196 persons attended the consumer credit sessions with 35 attending the small business seminar. During 1995 only 1 home-buyer seminar was held with 52 people attending.

In the Bloomington area, FNB-CI conducts credit seminars on an individual bank basis. During 1996, two (2) home buyer seminars were held with 52 individuals attending. During 1995, a small business seminar was held with 13 individuals in attendance.

Partners in Education is the Adopt-a-School program for FNB-CI. This program involves bank employees teaching young students in various subjects. During the 1994-1995 school year, 13 staff members spent 1 hour per week at a local elementary school. During the 1995-1996 school year, 22 staff members participated in this program. FNB-CI also provides educational materials for the Reading Is Fundamental program. This program provides

reading materials for students in grades 4 through 6 and promotes literacy.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans and small business loans.

- FNB-CI has made numerous loans in its local community. They are an active lender in residential mortgages, home improvement, and small business loans.

As illustrated in Table #1, FNB-CI made 640 Home Mortgage Disclosure Act (HMDA) reportable loans in 1996. This represents 93% of the total 685 applications received. 586 or 92% of the 640 loans were extended within their local communities. FNB-CI made no multi-family loans between January and November 1996.

Lending activity for 1996 in both the Bloomington and Springfield communities is also included in Table #1. FNB-CI made 171 home purchase, 159 home improvement and 87 refinance loans in the Springfield community. FNB-CI made 102 home purchase, 8 home improvement and 59 refinance loans in the Bloomington community. Overall, HMDA lending within the delineated community showed an increase from 1995 to 1996 with only the number and dollar amounts for home improvement showing a decline.

Table #1 HMDA reportable Lending
January thru November 1996

	Springfield Community		Bloomington Community		In Delineated Communities		Bank Totals		Percent in Delineated Communities	
	#	\$	#	\$	#	\$	#	\$	#	\$
Home Purchase	171	15,049	102	10,431	273	25,480	291	26,805	94%	95%
Home Improvement	159	1,114	8	82	167	1,196	188	1,308	89%	91%
Refinance	87	8,110	59	5,758	146	13,868	161	15,295	91%	91%
Total	417	24,273	169	16,271	586	40,544	640	43,408	92%	93%

Source: FNB-CI's 1996 HMDA-LAR
All \$ amounts are in 000's.

During 1995, FNB-CI made 625 HMDA reportable loans. When compared to the total 791 applications received, this reflects an overall approval rate of 79%. 540 or 86% of FNB-CI's HMDA reportable loans were extended within their local communities. This information is highlighted in Table #2. FNB-CI made no multi-family loans during 1995.

Table #2 HMDA reportable Lending - 1995

	Springfield Community	Bloomington Community	In Delineated Communities	Bank Totals	Percent in Delineated Communities

	#	\$	#	\$	#	\$	#	\$	#	\$
Home Purchase	166	14,784	61	5,012	227	19,796	261	22,619	87%	88%
Home Improvement	195	1,094	18	736	213	1,830	245	2,111	87%	87%
Refinance	67	5,856	33	2,490	100	8,346	119	9,777	84%	85%
Total	428	21,734	112	8,238	540	29,972	625	34,507	86%	87%

Source: FNB-CI's 1995 HMDA-LAR
All \$ amounts are in 000's.

FNB-CI ranks 6th in market share (5%) for total HMDA reportable lending of a total 178 reporting HMDA lenders for the entire community. During 1995, ninety-six (96) of the lenders made 10 or fewer total loans. Market share in the Springfield area ranks the bank 5th (6.5%) while in Bloomington the bank ranks 12th (2.4%). This level of performance is reasonable for each of the markets considering the number and relative size of the institutions in each market.

FNB-CI reported 716 loans to small businesses and 42 loans to small farms during 1996. Table #3 shows the breakdown by dollar amount of the loans. The large majority of the loans are in the \$0 to \$100,000 category. Also, most of the loans are made to businesses (373 for \$107,958,000) and farms (all 42 for \$3,141,000) with gross annual revenue of less than \$1 million.

Table #3 Small Business and Small Farm Lending 1996

	Small Business		Small Farm		Total	
	# of loans	\$ of loans	# of loans	\$ of loans	# of loans	\$ of loans
\$0 to \$100,000	618	20,627	33	1,307	651	21,934
\$100,001 to \$250,000	55	8,673	7	1,150	62	9,823
\$250,001 to \$1,000,000	42	97,669	2	684	44	98,353
Totals	715	126,969	42	3,141	757	130,110

Source: FNB-CI's 1996 CRA Loan Data
All \$ amounts are in 000's.

A special mortgage product called the "Home Town Program" caters to the needs of the low- and moderate-income borrowers. The program offers up to 90% financing with no points or private mortgage insurance. Under certain income limits, financing may be up to 95%. FNB-CI's Springfield offices made 5 loans for \$177,100 during 1996 and 8 loans for \$258,985 in 1995. The Bloomington offices made 3 loans for \$162,400 during 1996 and 4 loans for \$313,305 in 1995.

FNB-CI offers a Fresh Start Loan Program. This program provides for a second review of loan applications from individuals with low- and moderate-incomes. This program allows lenders to review the application after the initial decision to deny the application. They specifically look to see if there is any way

the loan can be made without sacrificing credit quality. During 1996 and 1995, FNB-CI made 28 loans totaling \$78,576 and 164 loans totaling \$186,763, respectively.

FNB-CI partnered with another financial institution to offer a credit card program. The program began in June of 1995 and 651 accounts were opened by year-end 1995 with \$930,000 in outstanding balances. Through August 31, 1996 (most recent data available), 200 additional accounts were opened with total outstanding balances at August 31, 1996 of \$887,000.

Assessment Factor J - The institution's participation in government insured, guaranteed or subsidized loan programs.

- FNB-CI participates in numerous programs with city, state, and federal government. FNB-CI seeks out guaranteed or subsidized programs to supplement its own credit product offerings.

FNB-CI is a Preferred Small Business Administration (SBA) lender. FNB-CI participates in both the 7(a) and low-doc programs. During 1996, 29 loans were made for \$4,713,275 with an additional 24 loans for \$2,424,212 extended during 1995. Many of these loans were to new start-up businesses.

The Capital Access Program is a joint venture of the City of Springfield and several local financial institutions. It provides small dollar loans (up to \$50,000) for construction or building purchase, property improvements, working capital, and/or equipment and inventory purchase. Loan terms are fixed interest of 2.25% to 3.75% over prime with a 7-year maximum maturity. During 1995, FNB-CI made 3 loans for \$37,000 under this program. No loans were made under this program during 1996.

FNB-CI participates in the Downtown Rehab Group in the Bloomington community. Under this program, FNB-CI made 5 loans for \$101,386 during 1995. There has been only 1 loan for \$560,000 under this program in 1996.

The State of Illinois Treasurer's office offers a linked-deposit program through the Illinois Farm Development Authority. This program allows farmers to borrow at low rates for crop and livestock production. The treasurer's office will deposit funds with the bank up to a specified amount as long as the financial institution loans the funds to farmers at rates equal to the cost of the deposit plus 4% or less. Springfield made 3 loans for \$140,000 in 1996 and another 3 loans for \$120,000 in 1995. Bloomington made 2 loans for \$60,000 in 1996 and 6 loans for \$130,000 in 1995. FNB-CI's total commitment under this program is at \$2,218,000.

FNB-CI participates with the Illinois Housing Development Authority in a first-time home buyers program. The program includes a reduced interest rate for buyers within the income range and homes under a specified value. However, this program

has not been very active for FNB-CI during this evaluation period. Only 1 loan for \$41,600 was made during 1996 and no loans were made during 1995.

FNB-CI has expressed interest in the State of Illinois Treasurer's Ready Access Program. The program is designed to benefit persons with disabilities in obtaining loans to purchase assistive technology and become more self-sufficient. This program is also a linked-deposit program where the bank loans the funds at a rate of interest of 2% above the amount paid on the deposit. Unfortunately, there has not been very much demand for this program. To date, FNB-CI has made no loans under this program.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- The distribution of FNB-CI's loans shows reasonable distribution throughout the Springfield and Bloomington communities. FNB-CI's level of lending to low- or moderate-income borrowers is good.

As noted in Table #4, FNB-CI made 201 loans (34% of the total number of HMDA loans in their communities) to low- or moderate-income borrowers in 1996. Table #5 shows 192 (36%) of the bank's loans during 1995 were made to low- or moderate-income borrowers.

Table #4 Lending to Low- and Moderate-Income Borrowers
HMDA Reportable Loans - January thru November 1996

Borrower Income Level	Springfield Community				Bloomington Community				Bank Totals - In Delineated Community			
	#		\$		#		\$		#		\$	
Low- or Moderate-Income	158	38%	4,605	19%	43	25%	2,588	26%	201	34%	7,193	18%
Middle-Income	99	24%	3,934	16%	60	36%	5,842	34%	159	27%	9,776	24%
Upper-Income	144	35%	15,460	64%	65	38%	7,697	32%	209	36%	23,157	57%
Unknown	16	4%	274	1%	1	1%	144	8%	17	3%	418	1%
Total Loans	417	100%	24,273	100%	169	100%	16,271	100%	586	100%	40,544	100%

Source: FNB-CI's 1996 HMDA-LAR
All \$ amounts are in 000's.

Table #5 Lending to Low- and Moderate-Income Borrowers
HMDA Reportable Loans - 1995

Borrower Income Level	Springfield Community				Bloomington Community				Bank Totals - In Delineated Community			
	#		\$		#		\$		#		\$	
Low- or Moderate- Income	159	37%	3,376	15%	33	29%	1,558	19%	192	36%	4,934	16%
Middle- Income	114	27%	4,273	20%	31	28%	2,000	24%	145	27%	6,273	21%
Upper- Income	147	34%	13,856	64%	48	43%	4,680	57%	195	36%	18,536	62%
Unknown	8	2%	229	1%	0	0%	0	0%	8	1%	229	1%
Total Loans	428	100%	21,734	100%	112	100%	8,238	100%	540	100%	29,972	100%

Source: FNB-CI's 1995 HMDA-LAR
All \$ amounts are in 000's.

The level of lending in low- and moderate-income tracts is reasonable. Table #6 shows during 1996, FNB-CI made 96 HMDA reportable loans (16%) amounting to \$4,662,000 in low- and moderate-income census tracts. During 1995, 104 (19%) of the bank's loans were extended in such tracts (See Table #7). FNB-CI tracks the geographic distribution of its total lending on a quarterly basis. Specific emphasis is on both the number and dollars of loans in low- and moderate-income census tracts.

Table #6 Lending in Low- and Moderate-Income Census Tracts
HMDA Reportable Loans - January thru November 1996

Income Level of Census Tract	Springfield Community				Bloomington Community				Bank Totals - In Delineated Community			
	#		\$		#		\$		#		\$	
Low- or Moderate- Income	56	13%	1,305	5%	40	24%	3,357	21%	96	16%	4,662	11%
Middle- Income	166	40%	5,974	25%	96	57%	9,672	59%	262	45%	15,646	39%
Upper- Income	195	47%	16,994	70%	33	19%	3,242	20%	228	39%	20,236	50%
Total Loans	417	100%	24,273	100%	169	100%	16,271	100%	586	100%	40,544	100%

Source: FNB-CI's 1996 HMDA-LAR
All \$ amounts are in 000's.

Table #7 Lending in Low- and Moderate-Income Census Tracts
HMDA Reportable Loans - 1995

Income Level of Census Tract	Springfield Community				Bloomington Community				Bank Totals - In Delineated Community			
	#		\$		#		\$		#		\$	
Low- or Moderate-Income	81	19%	1,396	6%	23	20%	1,385	17%	104	19%	2,781	9%
Middle-Income	195	46%	6,646	31%	60	54%	4,945	60%	255	47%	11,591	39%
Upper-Income	152	35%	13,692	63%	29	26%	1,908	23%	181	34%	15,600	52%
Total Loans	428	100%	21,734	100%	112	100%	8,238	100%	540	100%	29,972	100%

Source: FNB-CI's 1995 HMDA-LAR
All \$ amounts are in 000's.

FNB-CI's lending to small businesses also shows good penetration in low- and moderate-census tracts. During 1996, 38 of 131 loans (29%) for \$3,915,000 in the Bloomington community and 376 of the 584 loans (64%) for \$17,584,000 in the Springfield community were made in low- or moderate-income tracts.

Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- FNB-CI's offices are reasonably accessible throughout the entire community. Services offered are commensurate with the needs of the community.

FNB-CI operates 9 full service offices, 1 stand alone drive-up facility and 22 ATM's. These offices are reasonably accessible throughout the community. One of the Springfield offices and 8 ATM's are located in low- or moderate-income census tracts.

No offices have been closed since the last CRA evaluation. There have been 2 offices (supermarket branches in Springfield) opened besides the three offices which resulted from the merger with the City Bank of Bloomington/Normal in 1995. There have been 6 additional ATM sites added (5 in Springfield and 1 in Bloomington).

Office hours are reasonable and adequately service the needs of the bank's community. All locations besides the main office in Springfield, offer Saturday morning hours with some early Saturday afternoon hours. The 2 supermarket branches also offer Sunday hours. Most locations also offer later hours on Friday evening.

FNB-CI has also introduced an automated banking service for their customers. The system is called "BIL," Banking Information Link. This system allows customers to check account balances, review transactions to their accounts, obtain loan and deposit interest

rates, as well as allowing for funds to be transferred between accounts. This system is a telephone service available to all bank customers.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- We found no practices to discourage applications for the types of credit offered in the bank's CRA statement.

FNB-CI solicits applications from all segments of its delineated community. A loan officer has been designated with special emphasis on making calls in low- and moderate-income areas. He also caters to low- and moderate-income people who apply for a loan. All lending personnel receive annual training on the requirements of the Equal Credit Opportunity Act.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- FNB-CI is in substantial compliance with the provisions of the anti-discrimination laws and regulations including the Equal Credit Opportunity Act, Fair Housing Act and the Home Mortgage Disclosure Act.

During our examination, we tested residential loan rates and terms for both minority and control group applicants. The purpose of this review was to determine whether similarly situated borrowers were afforded the same interest rates, maturity structures and fees. The loan sample consisted of 34 total home purchase loans with 13 black and 21 white borrowers. We found that both groups received similar loan terms.

An internal fair lending review began in January 1997. The results of this analysis were not available for our review during this examination.

FNB-CI has implemented a second review committee to determine whether or not denied low- and moderate-income applicants could be extended credit. The program provides lenders the opportunity to ensure credit standards are being applied consistently.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- FNB-CI actively participates in local community development and redevelopment projects. On numerous occasions, FNB-CI

has taken a leadership role in development projects in the community.

FNB-CI has supported projects to provide housing for individuals in unfortunate circumstances. They made a loan for \$125,000 to purchase an old motel. The property is being renovated into a 22-unit facility. It will provide quality affordable housing for low-income families and individuals in crisis situations. This property is in a moderate-income census tract. FNB-CI also made a loan for \$67,000 in 1995 for the purchase of a home by the Attention Home for Youth. The property is being used as a half-way home for troubled youth. The Attention Home for Youth also received a \$15,700 loan in 1996 to purchase a van to use for transportation of the youth.

FNB-CI is involved in construction of new facilities to stabilize low- and moderate-income neighborhoods. They made a \$1,200,000 construction loan commitment for a local Shell Oil station in a moderate-income census tract. FNB-CI made a \$2,265,000 construction loan for a new motel in a Tax Increment Financing (TIF) zone. This property is in a moderate-income census tract. FNB-CI made a \$55,000 loan to purchase land on which a new office building is being built. This property is in a low-income census tract.

FNB-CI aids the maintenance of local churches in its low- and moderate-income areas. They have extended 2 loans for \$193,264 to small churches in moderate-income census tracts in Bloomington. One loan was to purchase property for construction of a new church and the other loan was to refinance an existing church building.

FNB-CI is involved in business retention in low- and moderate-income areas. They extended 2 loans in 1996 for \$536,000 and 1 loan for \$100,000 in 1995 for purchase of businesses in low-income census tracts. FNB-CI also loaned \$260,000 in 1996 for purchase of a trailer park in a moderate-income census tract. Another loan was made in 1996 for \$115,000 to rehab a commercial property in a moderate-income census tract.

FNB-CI provides operating funds for local community development service organizations. They have a \$125,000 line of credit with the Springfield Urban League. This organization provides various job and credit-related services to low- and moderate-income individuals in the Springfield area. FNB-CI has also extended a line of credit to Family Service Center for \$176,000. This organization provides day care, family counseling, and related services primarily to low- and moderate-income individuals in the Springfield community.

FNB-CI works closely with several landlords of low- and moderate-income housing in the Bloomington area. During 1996, 2 loans were made in moderate-income census tracts for \$130,025. Proceeds were used to rehab an apartment complex and refinance a commercial building. During 1995, 6 loans were made. Three (3) of the loans for \$187,250 were to purchase single family residences to use as rental units. One (1) loan for \$45,000 was

for construction of a single-family rental property. All of these single-family residences are in moderate-income census tracts. The other 2 loans for \$132,222 were for rehab of commercial properties in a low-income census tract.

FNB-CI continues to work with the Springfield Housing Authority on the revitalization of the John Hay Homes. This project involves the redevelopment of a public housing site into a mixed-income property. The project is currently in the stage of evacuating the remaining residents before any construction activity can begin.

FNB-CI has several staff members involved as board members in community development service organizations. Some examples of these organizations in the Springfield community include: Springfield Project, Springfield Redevelopment Corporation, the Economic Development Council, Family Service Center, Healthy Springfield 2000, and Downtown Springfield, Inc. Involvement in the Bloomington community includes the Bloomington Downtown Rehab Group and the Child Care Resource and Referral Network.

FNB-CI has also been very active in discussions to form a Community Development Corporation (CDC) in Springfield. The project involves representatives of numerous financial institutions, city and county government officials, and local businesses. The CDC will focus on business attraction, retention and expansion. A senior staff member is currently on the steering committee for this proposed organization.

FNB-CI has made contributions and donations to numerous community development service organizations. Many of the grants and donations are made through the Springfield Clearinghouse Association. \$128,163 was donated by FNB-CI to community development organizations through contributions to this organization in 1996 and 1995. In addition, direct donations to community development organizations amounted to \$1,400 and \$1,345 for 1996 and 1995, respectively. Major benefactors of these funds include: Downtown Springfield, Inc., Springfield Project, Contact Ministries/Helping Hands, Habitat for Humanity, Health First Community Clinic, and the Springfield Financial Institutions CRA Council. FNB-CI also made several in-kind contributions of office furniture to local community development agencies.

Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- FNB-CI is involved in other activities which help to meet the credit needs of its entire community.

Although FNB-CI sold its student loan portfolio in late 1994, they continue to facilitate students in obtaining loans. They provide applications for the loans; however, their affiliate bank in Jacksonville, Illinois funds the loans.

FNB-CI offers low-cost checking to senior citizens, high school graduates and any customer who uses direct deposit. The senior citizen account is for customers who are 65 years old or older. It provides for 10 free checks per month. The high school graduate account allows for free checking for 4 years after high school graduation. FNB-CI does not charge any service charges on any accounts which have funds direct deposited.